Promoting decent work and inclusive economic growth

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Creating full and productive employment and decent work for all remains a daunting challenge.

Unemployment rates generally low, under and informal employment widespread.

Employment opportunities largely in the informal economy characterized by low productivity and poor working conditions.

Africa has the highest rate of informality at 86% of total employment and vulnerable employment at 66%.
• Economic growth remains insufficient to have a strong poverty-reduction and job-creation impact.
• Over-reliance on primary commodities and the extractive sectors limiting capacity to create enough jobs to absorb the rapidly growing labour force.
• Employment has been expanding at 1.8% per annum, less than the nearly 3 percent annual growth in the labor force.
• Employment elasticity of growth has averaged 0.41.
KEY MACROECONOMIC TRENDS

Figure 1: Annual GDP, GDP per capita and population growth in Africa other than North Africa, 1990-2017

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## Labour Market Indicators, Africa, 2017-20

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020 (p)</th>
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</thead>
<tbody>
<tr>
<td><strong>Unemployment rate</strong></td>
<td>6.9</td>
<td>6.8</td>
<td>6.8</td>
<td>6.8</td>
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<tr>
<td><strong>Vulnerable employment</strong></td>
<td>65.9*</td>
<td>66*</td>
<td>66.1*</td>
<td>-</td>
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<tr>
<td><strong>Extreme working poverty</strong></td>
<td>33.6</td>
<td>33.0</td>
<td>32.5</td>
<td>31.9</td>
</tr>
<tr>
<td><strong>Moderate working poverty</strong></td>
<td>22.6</td>
<td>22.5</td>
<td>22.4</td>
<td>22.3</td>
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</tbody>
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• Strategic interventions targeting the rural and informal economies. Investments in rural/urban infrastructure vital.
• Target key sectors and value chains that have a high potential to create employment opportunities.
• Productivity enhancement through investing in technology upgrading, skills development and institutional capabilities.
• Mainstream employment creation in all the macroeconomic with clear employment targets and benchmarks.
• Adoption and full implementation of NEPs anchored on broad-based social dialogue and consultations is key.
POLICY RECOMMENDATIONS

• Creation of enabling and supportive policy, institutional and regulatory framework that reduces the cost of doing business and improves the investment climate as well as lowering the barriers and high cost of transition to formality.
• Ensure ratification and implementation of ILO conventions such as C189 on decent work for domestic workers.
• Strengthen information systems in order to ensure the availability of reliable, timely and disaggregated labour market data and statistics.
THANK YOU!

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